



Santa Barbara County Employees' Retirement System

DATE: June 28, 2023

Agenda Item #3

TO: SBCERS BOARD OF RETIREMENT

FROM: SBCERS Investments

RE: **FY2024 RVK Strategic Plan**

Recommendation

That the Board of Retirement receive and accept the Fiscal Year ending June 30, 2024 Strategic Plan presented by Principals and Co-Lead Consultants Marcia Beard and Matthias Bauer, CFA of RVK, Inc.; and

That the Board of Retirement approve the SBCERS Investment Policy Statement with proposed revisions as recommended by SBCERS Staff and RVK or provide direction to staff or the Operations Committee for further amendment or research on the policy.

Summary

The plan will cover a recap from Fiscal Year 2023 and the projects completed during that time including Asset/Liability Study, Non-Core Fixed Income Structure Review, and Equity Structure Review. During 2023 RVK also made presentations to the Board for Capital Market Assumptions (March 2023) and Review Current Asset Allocation (April 2023).

The plan will also outline the new goals and objectives for the Fiscal Year 2024. Included in the updated goals and objectives are the presentation of Education on ESG, Education on China Exposure/Divestment Options, Real Return Structure Study and U.S. Equity Structure Review. The plan also outlines additional items regarding upcoming Capital Market Assumptions and Private Credit recommendations.

The recommended changes to the Investment Policy Statement – Exhibit D are consistent with the strategic objective for the Private Credit portfolio approved by the Board last year. Recommended changes to Board policies are usually brought to the Operations Committee for review and recommendation to the full Board; however, because the needed change was not noted until after the Operations Committee completed its 2023 work plan, staff is bringing this recommendation directly to the full Board for approval.

Attachments

- FY2024 RVK Strategic Plan
- SBCERS Investment Policy Statement - Redlined June XX, 2023